

STATE PROPERTIES COMMITTEE MEETING

TUESDAY, JULY 30, 2013

The meeting of the State Properties Committee was called to order at 10:08 a.m. by Chairman Ronald N. Renaud. Attendance of the members was taken by roll call and the following members made their presence known: Kevin Flynn attended in the absence of Robert K. Griffith representing the Rhode Island Department of Administration; Richard Woolley representing the Rhode Island Department of Attorney General; Christopher Feisthamel representing the Rhode Island Office of the General Treasurer, Ex-Officio Member. Others in attendance were Anthony Robinson from the State of Rhode Island General Assembly; Deborah White from the Rhode Island Department of Administration; Richard Kalunian and Colleen Kerr from the Rhode Island Department of Transportation; John Faltus, Robert Paquette, Terri Bisson and Michelle Sheehan from the Rhode Island Department of Environmental Management; Louis J. Saccoccio and J. Vernon Wyman from the University of Rhode Island; William H. Gearhart, James Murphy and Paul Fontes from Rhode Island College; Amy Stein from AIDS Project Rhode Island; and Nathaniel Kwapo from Rhode Island Hype.

Chairman Renaud stated for the record that the State Properties Committee did have a quorum present.

Approval of the minutes from the State Properties Committee meeting held on

Tuesday, June 18, 2013 is deferred to a future meeting of the State Properties

Committee.

ITEM A - Department of Administration - A request was made for approval of and signatures on a License Agreement, by and between the Department of Administration and R.I. Hype Business Expo to allow the company to utilize the State House Grounds on Saturday, September 14, 2013. Ms. White indicated that this item was previously approved by the State Properties Committee; however, the organization would like to change the date of the event from August 31, 2013 to September 14, 2013. Ms. White stated that all other provisions of the License Agreement previously approved by the Committee shall remain the same. A motion to approve was made by Mr. Woolley and seconded by Mr. Flynn.

Passed Unanimously

ITEM B - Department of Administration - A request was made for approval of and signatures on a License Agreement, by and between the Department of Administration and AIDS Project Rhode Island to allow said organization to utilize the State House Grounds on Saturday, September 28, 2013. Ms. White stated that this is the organization's twenty-eighth year hosting said event and its fourth (4th) year utilizing State-owned property for this purpose. Chairman Renaud asked if any merchandise would be sold during this event.

Ms. Stein stated that no merchandise whatsoever will be sold during this event. A motion to approve was made by Mr. Woolley and seconded by Mr. Flynn.

Passed Unanimously

ITEM C - Department of Environmental Management – A request was made for approval for the Divisions of Parks and Recreation in conjunction with the Department of Administration/Division of Purchases to solicit bids for new five (5) year concession contracts for the following State Parks and Beaches located throughout the State of Rhode Island:

STATE PARKS:

- 1. Colt State Park ~ Roving Frozen Beverage Concession (Bristol); and**
- 2. Goddard State Park ~ Food and Golf Concession (Warwick); and**
- 3. Goddard State Park ~ Roving Frozen Beverage Concession (Warwick); and**
- 4. Lincoln Woods State Park ~ Food and Sundry Concession (Lincoln); and**
- 5. Lincoln Woods State Park ~ Frozen Beverage Concession (Lincoln); and**
- 6. Pulaski State Park ~ Frozen Beverage Concession (Glocester); and**
- 7. Brenton Point State Park ~ Portable Food and Sundry Concession (Newport); and**
- 8. Brenton Point State Park ~ Roving Frozen Beverage Concession**

(Newport); and

9. Fort Adams State Park ~ Roving Frozen Beverage Concession (Newport).

STATE BEACHES:

1. Scarborough North and South ~ Food and Sundry Concession (Narragansett); and

2. Roger Wheeler ~ Food and Sundry Concession (Narragansett); and

3. Misquamicut ~ Food and Sundry Concession (Westerly); and

4. East Matunuck ~ Food and Sundry Concession (South Kingstown)

Mr. Faltus explained that this is the fifth (5th) and final year of most of the Department's State Park and State Beach concession contracts. Mr. Faltus noted that the Department is before the Committee seeking permission to solicit bids for the new five (5) year concession contracts. Mr. Faltus indicated that the Department will be working with the Division of Purchases throughout the bid process. Mr. Flynn noted that there were some substantial discrepancies between the amount of the minimum bids for the State beaches and asked why. Mr. Paquette stated that each beach has its own personality noting that Roger Wheeler State Beach is geared more toward young families, who often prefer to pack meals rather than rely on vendors and incur the additional expense for a day at the beach. Mr. Paquette indicated that this is part of the reason its concession contract's minimum bid is lower in comparison to some of the other State beaches. Whereas, beaches such as Misquamicut

and Scarborough North seem to attract a younger population that tends to purchase food from vendors, making this location more attractive to vendors. Mr. Paquette explained that he determined the minimum bid amounts for the upcoming concession contracts based upon the amount of the lowest bids received during the previous bid process. Mr. Paquette reiterated the beaches have their own personalities and their own revenue generating source, which certainly influences the amount of the minimum bid for each. Mr. Flynn commented that he is surprised that East Matunuck State Beach's minimum bid is one fourth the amount of Scarborough's minimum bid. Mr. Faltus explained that the beach's parking capacity greatly influences the minimum bid amount as well. The Scarborough Complex offers a tremendous amount of available parking spaces as compared to the number of vehicles East Matunuck's parking lot is able to accommodate. Mr. Faltus reminded the Committee that these are seasonal concessions, which offer a very limited number of business days; an average of one hundred (100) to one hundred and ten (110) per season. Additionally, Mr. Faltus noted that the number of days these concessionaires have to generate revenue during a season is reliant upon and subject to factors such as weather conditions, hurricanes and water quality. The Department tries to be mindful of these variables as these contracts are geared toward smaller business-owners. The Department wants to ensure that the majority of potential bidders can at least meet the minimum bid requirement. A motion to approve was made by Mr. Flynn and seconded by Mr. Woolley.

Passed Unanimously

ITEM D - Department of Environmental Management - A request was made for approval of and signatures on a Warranty Deed, by and between Raymond N. Menard and Joan A. Menard and the Department of Environmental Management for the purchase of 23.7 acres of land located along Cherry Hill Road in the Town of Burrillville. Ms. Sheehan explained that the Department appeared before the Committee on June 4, 2013, seeking approval and execution of the Purchase and Sale Contract for the subject property, which was granted by the Committee at that time. Ms. Sheehan stated that the Department would like to conclude the subject transaction and is before the Committee today seeking approval and signatures on a Warranty Deed conveying said property from Raymond N. Menard and Joan A. Menard to the Department of Environmental Management. The purchase price is 49,000.00, which is to be funded with DEM open space bond funds. Ms. Sheehan explained that the purchase price is rather low due to the roadway improvements that would be required in order to construct a development on the subject property. A motion to approve was made by Mr. Woolley and seconded by Mr. Flynn.

Passed Unanimously

ITEM E - Department of Environmental Management - A request was made for approval of and signatures on a Lease Agreement, by and between the Department of Environmental Management and the Pawtucket Country Club for property located on Armistice Boulevard within the Ten Mile River Reservation in the City of Pawtucket. Ms.

Bisson explained that the Pawtucket Country Club (the "Club") has leased the subject property since October of 1960. The original Lease Agreement was authorized via a public law. Ms. Bisson stated that a portion of the property is utilized by the Club to accommodate overflow parking during large events. The other area is utilized for the use, maintenance and the storage of equipment for a pump house situated on the property. Ms. Bisson noted that the Lease Agreement is for a term of ten (10) years. The annual rental rate of \$704.00 was established by an appraisal conducted in 2011. The rental fee will be increased in the fifth (5th) year of said Agreement in accordance with the Consumer Price Index (the "CPI"). Ms. Bisson noted that for a number of years there was no Lease Agreement in place relative to this property; however, this Lease Agreement secures a one-time payment for the period of time the State was not compensated for the use of this property. Additionally, the Club is required to secure and continuously maintain liability and comprehensive insurance coverage with the State of Rhode Island being listed as an additional insured. Mr. Feisthamel asked what the square footage of the property is. Ms. Bisson stated that the parking area encompasses 11,000 square feet of land and the parcel on which the pump house is situated consists of approximately 84,000 square feet. Mr. Woolley asked if the Department has entertained the option of selling the property to the Club. Ms. Bisson indicated that it is her understanding that at one time the Department did consider selling the property to the Club; however, because the Department must maintain access to the dam and the parking area, it was decided that

selling the property was not in the Department's best interest. Additionally, as there are locations along said property where the public can place kayaks in the river, the Department wishes to maintain the public access value. Mr. Feisthamel commented that he is surprised by the amount of the rental fee. Ms. Bisson noted that a previous appraisal valued the property even lower. She noted that there is no value to this property other than access as it is a land locked parcel. A motion to approve was made by Mr. Woolley and seconded by Mr. Flynn.

Passed Unanimously

ITEMS F1 & F2 - Board of Education/University of Rhode Island and Rhode Island College - A request was made for approval of and signatures on two (2) Lease Agreements, by and between the Board of Education/University of Rhode Island and Rhode Island College and The Narragansett Electric Company for the installation and promotion of the use of electrical vehicle charging station sites on said campuses. Mr. Saccoccio stated that both these Lease Agreements are for an initial term of four (4) years and include options to renew. Mr. Saccoccio noted that this is a project accessed via the Department of Environmental Management through federal funding. The installation and associated work will be done by National Grid. Mr. Saccoccio indicated that the Agreements contain language which allows both the University and College to terminate an Agreement for failure to pay taxes and/or for failure to ensure that said stations are handicap accessible. Mr. Saccoccio stated that the

appropriate Certificates of Insurance has been submitted and are available for the Committee's review. Mr. Wyman stated that the University's charging station site will be located immediately adjacent to the Mallon Center, which encompasses its Academic Sustainability Program. Said building is already equipped with solar panels and a power feed going to the charging station site. Mr. Wyman noted that this is clearly a demonstration project at this time, but the University considers it a very favorable and worthwhile one. The charging site chosen at the University is an ideal location. Mr. Saccoccio stated that the actual electricity used to charge the vehicles is nominal and even if actively used throughout the year the estimated expense would be approximately \$150.00 per year. Chairman Renaud reiterated his concerns which he has previously shared with the Department of Environmental Management, the Department of Administration and the Office of Energy Resources: (1) That an effective means of notifying vehicle owners that their allotted "charging" time is about to, or has expired and they must remove their vehicle; (2) that the charging stations do not in any way impact existing handicapped parking spaces; and (3) that all State-agencies choosing to sponsor a charging station(s) are diligent in their efforts to self police the same in order to avoid misuse and/or vandalism. After discussing road use taxes and other issues relating to the future increase in the use of electric vehicles, a motion to approve was made by Mr. Flynn and seconded by Mr. Woolley.

Passed Unanimously

ITEM G - Board of Education - A request was made for approval of

and signatures on a two (2) year Lease Agreement, by and between CHARLES-ORMS ASSOCIATES and the Board of Education/ University of Rhode Island to lease space within the Charles-Orms Professional Building located at 10 Orms Street in the City of Providence for the Living Rite Grant Program. Mr. Saccoccio explained that this Lease Agreement is for the lease of office space in the aforementioned building for the operation of a \$14 million dollar federal grant referred to as the Living Rite Grant. Mr. Saccoccio indicated that this is an exciting initiative, which is funded by Federal Healthcare Initiative funds. The program is designed to both coordinate healthcare and to reduce the cost of two of the most expensive programs that both Medicare and Medicaid fund, which are Alzheimer's patients with two (2) additional disorders as well as individuals with intellectual developmental disabilities. The University has been operating this program from space on its Kingston Campus over the past year; however, most of the constituents and subcontractors operate out of the Providence County area. Additionally, Mr. Saccoccio noted that many of the individuals that attend the meetings require handicapped accessibility. Therefore, the University needed to secure a more centralized and suitable facility for the operation of the Living Rite Program. The Charles-Orms Professional Building located at 10 Orms Street in Providence was identified as meeting all the University's criterion. The facility consists of 1,683 square feet of space at a base rate of \$20.00 per square feet. The Lease Agreement is for a term of two (2) years with options to extend. Said options to

extend would be exercised only in the event that funding for the program continued beyond the initial two (2) year term. Mr. Saccoccio stated that the Lease Agreement contains a provision stipulating that if either operating expenses and/or taxes increase, the cost would be shared proportionately by all of the tenants within the building. This is the Landlord's standard form of Lease; however, Mr. Saccoccio was able to negotiate some of the language to make it more acceptable to the University as well as the Board. Mr. Feisthamel asked how many staff members will be working from this facility. Mr. Wyman indicated that there are five (5) staff members; however, there is a steering committee that will meet at this location. Mr. Wyman explained that traveling from Providence to Kingston was one of the primary challenges relative to utilizing space within the University together with handicapped accessibility issues. Mr. Wyman stated that the entity did its due diligence in identifying more suitable space. The University toured a number of comparable properties in the general area, but surprisingly had great difficulty finding fully accessible space including accessible restroom facilities, egress and parking. Mr. Wyman stated that the subject facility is very well maintained and fully accessible for those with disabilities. One of the provisions contained in the Lease Agreement allows for access to additional parking spaces for larger meetings with the condition that a per space fee would have to be paid for additional parking beyond a certain level of participation. A motion to approve was made by Mr. Woolley and seconded by Mr. Flynn.

Passed Unanimously

The Committee may move to go into Executive Session, pursuant to Rhode Island General Law 42-46-5(a)(5) for the specific purpose of discussion or consideration related to the acquisition or lease of real property for public purpose, or of the disposition of publicly held property wherein advanced public information would be detrimental to the interest of the public relating to the following items:

A motion to enter into Executive Session was made by Mr. Woolley and seconded by Mr. Flynn.

A roll call vote was taken and the votes were as follows: Mr. Flynn voted "Aye", Mr. Woolley voted "Aye" and Chairman Renaud voted "Aye."

After detailed discussions relating to Executive Session Items E1 and E2 concluded, a motion to return to the open session of the State Properties Committee meeting and to seal the Executive Session minutes until such time as said matters are resolved, was made by Mr. Woolley and seconded by Mr. Flynn.

Passed Unanimously

Upon returning to the open session at 11: 04 a.m., the Committee proceeded to

vote relative to Items E1 and E2 presented in Executive Session.

ITEM E1 – Department of Transportation – A request was made for authorization to proceed with negotiations for three (3) year temporary easements for emergency repairs to the Atwells Avenue

Bridge #975 located in the City of Providence by virtue of Condemnation Plat 2763 (four (4) parcels). After discussion in Executive Session, a motion to approve was made by Mr. Woolley and seconded by Mr. Flynn.

Passed Unanimously

ITEM E2 – Department of Transportation – A request was made for authorization to proceed with the acquisition of land and easements depicted as Parcels 32A and 32B by virtue of Condemnation Plat 2710 at the appraised value. After discussion in Executive Session, a motion to approve was made by Mr. Woolley and seconded by Mr. Flynn.

Passed Unanimously

There being no further business to come before the State Properties Committee, the meeting was adjourned at 11:05 a.m. The motion to adjourn was made by Mr. Woolley and seconded by Mr. Flynn.

Passed Unanimously

Holly H. Rhodes, Executive Secretary